THE PERILS OF SOCIALIST CONTROL

November 28, 1945

Conservative Party Central Council Meeting, Friends House, London

You give a generous welcome to one who has led you through one of the greatest political defeats in the history of the Tory Party. It may perhaps be that you give me some indulgence for leading you in some other matters which have not turned out so badly.

In October 1940, at your desire I accepted the Leadership of the Conservative Party because I felt it absolutely necessary for the sustained, vigorous direction of the War to be political chief of this great, strong Party with whom I have so many ties of sentiment and conviction. With the solid, unflinching, unwavering support of the Conservative Party, with its large majority over all other Parties in the House of Commons, I was able to impart those elements of stability and authority to the Coalition Government which carried us safely through the long years of war. On my decisive dismissal from power by the electors when the victory was won, I deemed it my duty to remain at the head of the Conservative Party until better arrangements could be made. But I am sure you will all realise that I hold the Leadership you have conferred upon me, not from any motives of personal ambition—for what could I possibly want?—but only because of the strong convictions which I hold about the future of our country, and my desire to serve you as long as you may think me of any use, or I feel that I have anything worthy of your acceptance to give.

I have used such facilities as remain to me to organise an opposition Front Bench in the House of Commons of really able, competent, modern-minded men, and we have at least a score of trained and experienced politicians, including new and younger figures, all of whom are united in their resolve to carry forward the cause of the greatness of Britain, her Commonwealth and Empire, and her place in the world. Behind us the new Parliament has brought a large accession of ability by which we shall be steadily supported and reinforced as the work of the present Parliament proceeds. It is well that this should be so, because the plight into which our country has fallen on the morrow of its wonderful victory, requires the utmost persistent endeavours of all who believe in the strength, the continuity, and the grandeur of the British name.

I hope you will believe that it is with no personal bias, soreness or conceit that I declare that the vote of the nation at the General Election was one of the greatest disasters that has smitten us in our long and chequered history. We need not waste time in examining the reasons which led to that event. As I said in the House of Commons in June, 1940—that breathless moment in our existence; "If we open a quarrel between the past and the present we shall find that we have lost the future." Let us advance then into the future with the same confidence and dogged determination which all the world admired in those days when our national life and, may we not

say, the freedom and glory of the world were at stake. If every measure is taken, as it should be taken, if every effort is made, as it must be made, if every act of comradeship and audacity is performed, as it will be performed, there is no reason why we should not lead our country out of its hideous lapse and error in domestic affairs, just as we in Britain did in the great world struggle, of which for a whole year we bore the brunt alone. Here, happily, we have not got to fight the terrible foreign foe, but only to regain the goodwill and revive the morale of our own fellow-countrymen who came such a melancholy cropper at a moment when the opportunities of Britain were so great and our tasks so hard.

We have no longer to face the mortal perils of foreign conquest and subjugation. There are however other dangers which lie about us on every side which, if not overcome and defeated, will cramp and press the British nation down to levels we have never contemplated, and rob us not only of our place in the world which we won by superb achievement, but also of that reasonable prosperity for all classes on which we have hitherto erected our English and British way of life. Therefore so long as you care to maintain me in my present position, I shall call upon every man and woman who values the true greatness of our country and the noble Commonwealth and Empire spread around it, to do their utmost to revive the powerful heart-beat of our race and nation, and to make headway against the morbid and reactionary Socialist sectarians who, in an unguarded moment, led our people so far astray and got their stranglehold upon Britain. The struggle, I can assure you, will be hard and long, but I am as certain as I ever was in the darkest days that, provided we do not fail or falter or flag, we shall once again have the honour of guiding the destiny of Britain.

Let me now survey some of the aspects of this new conflict, far above Party or class interests, on which we must embark. Only four months have passed since, for the first time in our history, we became hag-ridden by the Socialist doctrinaires. I had hoped that however the new Government might feel, or whatever their difficulties might be with their own extremists, they would at least have devoted themselves to the task of reviving and ultimately liberating these islands after the inevitable thraldom and sacrifices of the war. Surely this practical duty, so vital, so urgent to every home, should have had overriding priority above Party fads and slogans and over long-term

visionary roads to Utopia.

We are at a point in our history where the choice which Oliver Cromwell placed before his victorious soldiers is again before us. It is the choice between "Being and Wellbeing." But as you know well from the daily and hourly experiences of your lives, we are being harassed, harried, hampered, tied down and stifled for the sake of vain, ill-thought-out and physically unattainable plans for a Socialist future. If we look across the Channel to a small country like Belgium, which I visited a few days ago, we see a Socialist Government in power with Communists included in it. But what are they working for at the moment? Their whole idea is to get their country's head above water, to get the industries to work, get the ravages of war repaired, and make trade thrive and prosper. As we look across the broad Atlantic, we see the mighty evolution of the United States from war to peace proceeding in a violent, convulsive, passionate manner, which causes no doubt great commotion and disturbance, but which has already led to an enormous increase of output of all necessary things for the home market, with an immense, ever-growing overspill for foreign export.

Now these are very vital months for our island. We are cruelly burdened and smitten by the sacrifices and supreme exertions which we made in the war. We do not seek to live on the charity of other nations. Whatever is the standard of living we can maintain and develop in this island, we are resolved to achieve it by our own exertions. But what is Mr. Attlee's Government doing? I say they are hampering and delaying the practical recovery of Britain for the sake of their Party fads and bitter, cast-iron Socialist dogmas. From every quarter the same tale comes to hand. All enterprise, all initiative, is baffled and fettered. The queues are longer, the shelves are barer, the shops are emptier. The interference of Government Departments with daily life is more severe and more galling. More forms have to be filled up, more officials have to be consulted. Whole spheres of potential activity are frozen, rigid and numb, because this Government has to prove its Socialistic sincerity instead of showing how they can get the country alive and on the move again.

Let me set before you several major facts which are already affecting nearly every family in this island. First, the demobilisation of the Services is proceeding at a rate far below what any efficient administration would have achieved. Vast masses of men are being held under military discipline, kept not only from their homes but from the industries and jobs which are clamouring for them. No military reason justifies keeping over 4 millions of men under compulsory military service at the present moment. Many Service men were deluded into voting for the Socialists by the prospects held out to them of a far more speedy release. What has happened is that at least a million and a half are being kept doing nothing, or at invented tasks, by a pedantic adherence to the Bevin Plan. This Plan, of which in many respects I entirely approve, was prepared for a situation when the war with Germany would be over, and the war with Japan would continue for at least eighteen months thereafter. It is wholly inapplicable to the present and actual position.

Then there is Housing. Mr. Aneurin Bevan, who distinguished himself so much during the war by his bitter taunts at every moment of difficulty and exceptional danger, is in charge of Housing. But he cannot find time to rebuild our shattered houses. He is too busy chasing landlords and profiteers around the ruins. The building trades throughout the country are hampered and paralysed. The necessary builders are not being got out of the Services in order to begin the work. The whole vast, intricate building apparatus of private enterprise, which built 250,000 houses every year before the War, has been deliberately cast under a cloud as if it were something indecent and improper and, at any rate, to be sharply discouraged. But even the local authorities, which are Mr. Bevan's chosen instrument, are themselves hampered and baffled by needless labyrinths of controls and particular conditions.

The gloomy State vultures of nationalisation hover above our basic industries. It may well be that some of these experiments in nationalisation will have to be tried. There are great numbers of our fellow-countrymen who only learn, as indeed we all do, by the process of trial and error. It is only, I fear, by suffering that the British people will learn the best course to take. The profit-motive, we are told, must be eliminated from these basic industries. Instead there will be the loss motive which, after various permutations will emerge as a heavy and additional charge either upon the public in higher costs of fuel and travel, or, as is more probable, in heavy additional charges upon the national Exchequer.

We are told that everything must be concentrated upon the export trade. But whoever supposed that a fertile and healthy export trade could be maintained except on the overspill of a very much larger internal and domestic trade? A healthy export is the cream upon the far greater volume in the milkpail. Whoever thought of starving the home trade as a peacetime measure of stimulating exports?

Sir Stafford Cripps is under the profound delusion that he can build up an immense, profitable export trade while keeping everything at the minimum here at home. Look what he is doing to the motor car industry. It is astonishing so clever a lawyer should not have got his case up better. He is a great advocate of "Strength through Misery." He tried this theme on the public when he entered the Government in February, 1942. I did not like it. I preferred "Strength through Victory," and that

is what we got. And that is what we have got to get now.

Every effort is made by the Socialist Government to restrain, diminish and, if possible, destroy the purchasing or consuming power of the public. They assure us that if this purchasing power, which used to be considered the foundation of prosperity is not damped down and choked, we shall have a rise in prices which mean a continuance and aggravation of inflation, or, in other words, a fall in the purchasing power of money. But surely the remedy for this is not scarcity but abundance? The remedy is to fill the shops with the simple goods and utensils which every household and home in the country needs. Then we shall have a beneficial cycle instead of the dismal vicious circle in which at present we are forced to rotate.

All these things fit together. If we get the workers out of the Forces, and get the factories moving and get the goods into the shops, then the more purchasing power the better. The Socialists put the emphasis the wrong way round. They begin with restriction, they prolong the scarcity, and they found on this scarcity an argument for further restriction. Their root principle is that it is much better that everyone should have half-rations rather than that anyone should have double. But why not try to get whole rations for everyone even if some get more? If they began by production and the release of national energy, they would soon produce the volume of consumer goods which would enable the mass of the people to buy with their hard-won savings

some of the things they need so much.

Over all this hangs the vast problem of our finance, external and internal. When Sir John Anderson, Chancellor of the Exchequer in the Coalition Government, over which I presided, framed the Budget for the year 1945-6, ending on March 31st, 1946, he planned to obtain for our war needs alone by taxation and by borrowing four thousand five hundred million pounds. That was on the basis of twelve months of war in its culminating intensity against both Germany and Japan. But Victory crowned our efforts far sooner than we dared to hope. When March 31st, next year is reached, there will only have been the equivalent of three months of war out of the twelve months for which the Budget was provided. Of course there are great winding-up expenses, but is it not a staggering fact that the new Chancellor of the Exchequer only expects to save by this nine months shortening of the war out of twelve about £200 million from a total of £4,500 million—about one fortnight of war expenditures? I say without any hesitation that at least eight hundred million could have been saved by sensible, vigorous administration of the finances, and of course by setting free on earlier dates some of the millions of men and women who are now kept in camouflaged unemploy-

ment apart from any military need, not by the Generals—that is a falsehood—but by the Socialist politicians.

All the gravely disquieting facts dominate, paralyse and starve the recovery to which the British people are entitled after their long struggle. Unless the Government can be compelled by public opinion and Parliamentary pressure to amend their courses, we shall be left far behind in the race for export markets, on which it is universally agreed we depend for half the food we eat and most of our raw materials.

In time of war when national survival is at stake, everyone expects restrictions, privations and hardships. In addition to bombing, many of the sufferings of the front are endured by the civil population at home. In wartime you have had a great deal of Socialism in our own time. Most people hoped that when the war was over and all our enemies were forced into unconditional surrender, there would be easement, improvement and liberation of national energy for peacetime production. But the Socialists as a definite part of their policy condemn us to endure the restrictions and rigours of war as a part of our normal life in time of peace. Sir Stafford Cripps appeals to us to endure austerity with fortitude. I say without a moment's hesitation we are quite ready to endure any amount of necessary, unavoidable hardship. We do not shrink from austerity if that is the only road to salvation. But surely at the same time it lies with those who inculcate these sombre courses to prove that they themselves are, by every form of human wit and contrivance, trying their best to get the country on its legs again, to bring it through and out of this hard period, and so regain our place as a living and active community in the tremendous world that is growing up around us.

The attempt to socialise Great Britain is fraught with mortal danger. There has never been a community in the world like ours. Here in this small island we maintain forty-six millions of people, who played a greater part per head in winning the world-war than any other people, and who, before the war, had developed a standard of living and social services above that of any country in Europe and in many respects above that of the United States. These forty-six millions differ from every other community that has ever existed in the world by the fact that they are perched upon the completely artificial foundation of not providing even one half of their food, and being dependent for the purchase of the bulk of their food and raw materials on persuading foreign customers, to accept the wares and the services they offer. Vast, intricate, delicate, innumerable, are the methods of acquiring external wealth which the British nation has developed in recent generations, and the population has grown step by step upon the livelihood produced. This is no country of vast spaces and simple forms of mass production. We have important and substantial basic industries. We have an agriculture which, out of self-preservation, we are expanding to the utmost. But it is by many thousands of small individual enterprises and activities that the margin by which alone we can maintain ourselves has been procured.

Here is where the application of Socialist doctrines can destroy Great Britain far more surely than the magnetic mine, or the air-raid, or the U-boat warfare. They will choke and dry up, and they are choking and drying up, all these multitudinous processes and giving in return nothing but promises and formulas. The Socialists are planning to make the Thames flow; there is to be a grand opening ceremony; after long

preparation the sluices will be opened, and the ancient river will roll forward amid loud cheers—but meanwhile they are cutting off and drying up all those countless rills by which alone the flood waters of our prosperity and life can be provided. A catastrophe is approaching this country of a different character but just as serious as occurred in 1939. Happily it is more easily to be avoided by sensible action while time remains. Will that action be taken or not? I am astounded that the principal Ministers in the Government do not see what is coming towards them.

I learn from the newspapers that we have borrowed or are to borrow about one thousand million pounds from the United States: how long is that going to keep us going? And what are the remedies or comforts which the Socialist Ministers offer? Fortitude—austerity—"tighten your belts"—"prepare yourselves to suffer, we are at the helm." For the rest, cheap and bitter abuse of every form of property, of every kind of enterprise except those which are owned by the State, and, above all, rigid, universal, overlapping controls throughout the whole of the infinitely varied impulses of our natural British life. I warned the nation before the war, and my advice was not taken. I warn them now that nothing but a genuine wholehearted effort not only to liberate but to stimulate the entire life-energies of our people will carry us through the crisis in our national economy into which we are already plunged and which will intensify with every month that passes.

Some have said to me: "Let us have a new policy for the Tory Party." The Four Year Plan, the greatest Social Reform Programme ever put forward by any British Government, has not even been passed into law, let alone into administration. Never mind, they say: "We want something fresh. Formulate, please, a new programme with novel counter-attractions of baits and bribes and promises to win back a majority from our large well-meaning electorate." At the same time and sometimes the same people, complain: "Why do we not oppose more strongly many of the Government's Bills?" I will tell you why. Because in many cases for some time to come they are in great measure our own Bills—like the vast Insurance Bill,—which we advocated and prepared in the Coalition, and which we are determined by conviction to place upon the Statute Book for the good of the British people. But legislation will not suffice at this moment in our national fortunes. The Socialists, in their pamphlet at the election, said: "Let us face the future." Surely now we have a more immediate task when all is so grim: "Let us face the present."

It is the duty of everyone to do their utmost for the country; night and day they should be thinking about it and its anxious problems. It is incredible to me that any patriotic man or woman could be guilty of apathy at a time like this. If we do our duty there is no reason to be downhearted, whether we succeed or not in saving the country from a grievous ordeal we shall have done our best. And why should we not succeed? Even under the adverse and unique conditions of the recent election we are half the nation. When the Socialist Government, in their clumsy arrogance, imposed upon us war-time controls for five more long years, they had not got a majority of the electorate behind them. Together with the Liberals and Independents who voted we represented a larger total of votes against the five-years' restriction than those who voted for it. The Socialists have no majority in the nation; even with all the

adventitious aid they got at the last election, they are a minority. They have a right to govern and administer the country but they have no right to ride rough-shod over the majority of their fellow country-men.

All this which I have been gathering together and laying before you this morning—and it is but a small part of what could be said—leads me to a conclusion, which I beg you most gravely to ponder over in your hearts. I foresee with sorrow but without fear that in the next few years we shall come to fundamental quarrels in this country. It seems impossible to escape the fact that events are moving and will move towards the issue—"The People versus the Socialists." On the one hand will be the spirit of our people, organised and unorganised, the ancient, glorious, British people, who carried our name so high and our arms so far in this formidable world. On the other side will be the Socialist doctrinaires with all their pervasive propaganda, with all their bitter class hatred, with all their love of tyrannising, with all their Party machinery, with all their hordes of officials and bureaucracy. There lies the impending shock, and we must be ready to meet it as a true People's Party, gathering together all that is vital and healthy in our island life and caring for nothing except the glory, strength, and freedom of Britain.

"A MISGUIDED AND INACTIVE GOVERNMENT"

December 6, 1945

House of Commons

We are here today on a Motion of Censure, but it is not the Opposition who have introduced acrimony into our proceedings. When we met for the first time four months ago, we refrained from conflict. I pointed out that there never had been a Parliament in which there was so great a body of work to be done in which all had an equal interest, or of legislation to be passed to which all parties were committed. Ideological differences may be deep and wide, but I certainly hoped that there would have been a very broad and continuing measure of co-operation upon practical tasks, and that these would have priority. We therefore, did not divide upon the Address in reply to the Gracious Speech, and the Leader of the House taunted us the other day for not having done so. I went out of my way, perhaps further than I should have done, to mitigate any shock to our credit abroad which might have been caused by the Government's announcement of the nationalisation of the Bank of England, only to be derided by the Leader of the House for speaking in less alarmist terms than I had done in the heat of the election.

Throughout we have done our best, even when we did not entirely agree, to make easy and nationally united the course of foreign politics. The Prime Minister found it convenient to refer appreciatively to this in his speech to the American Congress. But when the Government insisted upon keeping on for five years by legislation all the extraordinary controls, which even in the heat of war we only renewed from year to year, and when they rejected our friendly proposal for a two-year period, they showed that they were imbued with the spirit of faction. They